

Question Paper Set of

S.Y.B.COM – Sem-III

**Regular Exam**

**University of Mumbai**

September, 2019



Time:3 Hours

Marks:100

N.B.1)All questions are compulsory.

2)Draw diagrams wherever necessary.

3)Figures to the right indicate marks.

COM 2019

**Q1 A)Choose the correct answer options from the options given below any ten :(10)**

1. \_\_\_\_\_ skills are also called as interpersonal skills.

(Human, conceptual, technical).

2. \_\_\_\_\_ means efforts of all employees should be directed towards a common goal.

(discipline, unity of command, unity of direction)

3. Professional managers place emphasis on \_\_\_\_\_.

(results, formalities, procedures)

4. \_\_\_\_\_ is a long term action plan for achieving goals.

( strategy, rules, procedure)

5. Under \_\_\_\_\_ the manager intervenes only when employees fail to meet performance targets. (MBO, MBE, MBR)

6. Delphi and Game theory are \_\_\_\_\_ techniques.

(planning, decision making, controlling)

7. Authority flows upward to downwards in \_\_\_\_\_ organisation.

(Line, Staff, Line and Staff)

8. Authority and responsibility are elements of \_\_\_\_\_.

(Departmentation, Span of Control, Delegation)

9. \_\_\_\_\_ refers to dispersal of authority at different levels.

(Decentralisation, Delegation, Departmentation)

10. \_\_\_\_\_ means organising a group of people to achieve common goals.

(Motivation, Leadership, Directing)

11. \_\_\_\_\_ is a traditional controlling technique.

(Management Audit, Personal observation, PERT)

(PTO)

(a) Debited to goodwill accounts  
(c) Debited to security premium

(b) credited to capital reserves  
(d) none of the above

12. Liabilities not taken over by the new firm at the time of amalgamation will be transferred to \_\_\_\_\_

(a) New firm's accounts  
(c) capital accounts

(b) profit and loss adjustment accounts  
(d) none of the above



12. \_\_\_\_\_ is an end function of management.

(Planning, Organising, Controlling)

**B) State whether the following statements are True/False any ten (10)**

1. Management is a continuous process.
2. Henry Fayol is known as the Father of Scientific Management
3. Money is the only motivating factor as per modern approach.
4. Policies serve as guidelines for decision making.
5. Decision making is a mental process.
6. Network resource include both hardware and software.
7. Virtual organisation does not have physical existence.
8. Departmentation is by products in a mall.
9. Delegation and decentralisation are synonymous.
10. Motivation is a one-time activity.
11. Barriers to communication are divided into five groups.
12. Budgetary control is qualitative in nature.

**Q2 Answer any two of the following:**

- a) Define management. Explain its functions.
- b) Describe the Hawthorne experiments conducted by Elton Mayo.
- c) Explain the significance of Indian ethos to management.

**Q3 Answer any two of the following: (15)**

- a) Define planning. Explain the steps.
- b) Define MIS. Explain its characteristics.
- c) Define Decision making. Explain the techniques of decision making.

**Q4. Answer any two of the following: (15)**

- a) What is Matrix organisation? Explain its features.
- b) Distinguish between Tall and Flat organisation structures.
- c) Distinguish between Centralisation and decentralisation.

**Q5. Answer any two of the following: (15)**

- a) What is Motivation? Explain its features.
- b) Discuss the traits that a good leader should possess.
- c) Briefly explain the techniques of controlling.

**Q6. Write short notes on any four: (20)**

- i) Peter Drucker's dimensions of management.
- ii) MBO.
- iii) Departmentation.
- iv) Barriers to delegation of Authority.
- v) Importance of communication.
- vi) Leadership styles.

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R111FC2019-20

Duration: 2 ½ hrs.

Marks : 75

NOTE: 1) All questions are compulsory.  
2) All questions carry equal marks.

F.C 2019

Q.1 A. Explain the following concepts: (Any Five)

15

1. Sign Language
2. Formal Communication
3. Blind Beliefs and Prejudices
4. Recovery Phase of Disaster Management
5. Elderly Person
6. Myth
7. Prevention of Disasters
8. Political Rights

OR

B. Write a detailed note on the Foundation Course (Semester III) project submitted by you.

15

Q.2 A. Describe functions and powers of the National Commission for Scheduled Tribes.

15

OR

B. Explain forms of violations of human rights of Women.

15

Q.3 A. Explain the Concept and Characteristics of Disasters.

15

OR

B. What is mitigation phase of disasters? Explain the relief and Rehabilitation measures of mitigation.

15

Q.4 A. Explain science as empirical, practical, theoretical and validated Knowledge.

15

OR

B. Discuss the positive and negative impact of technology on human life.

15

Q.5 A. Comment on the various styles of effective leadership.

15

OR

B. Explain the advantages and disadvantages of oral communication.

15

firm then the difference is \_\_\_\_\_.

- (a) Debited to goodwill accounts  
(c) Debited to security premium

- (b) credited to capital reserves  
(d) none of the above

12. Liabilities not taken over by the new firm at the time of amalgamation will be transferred to \_\_\_\_\_

- (a) New firm's accounts  
(c) capital accounts

- (b) profit and loss adjustment accounts  
(d) none of the above



R111 FASEP301926

Times: 3 Hrs.

Marks: 100

- N.B.
1. All questions are compulsory
  2. Figures to right indicates full marks
  3. Working should form part of the answer
  4. Simple calculator is allowed

- Q.1. (A) State the Following Statements are True or False: (ANY TEN) (10)
- FA 2019
1. On Amalgamation of Firm, profit and loss adjustment account is opened.
  2. Expenses due but not paid appear as a liability in balance sheet.
  3. Partner's current account must always show a credit balance.
  4. There are no maximum limits to the number of partners in a firm.
  5. If an asset is given in full settlement of a liability on amalgamation then no entry is passed in the books of accounts
  6. An amount due to the deceased partner is transferred to his executor's loan accounts.
  7. In excess capital method the minimum capital is equal to the lowest unit capital.
  8. The credit balance of realization account means profit on realization.
  9. At the time of dissolution, loan from partner will be transferred to realization accounts.
  10. After the amalgamation all assets and liabilities of old firms get recorded at their realization values in the realization accounts.
  11. Conversion of firm into company does not involve dissolution of firm.
  12. Reserve for discount on creditors shows a credit balance.

Q.1. (B) Multiple Choice Questions (ANY TEN) (10)

1. The withdrawals by a partner for personal use from the firm is \_\_\_\_\_ to his accounts.  
(a) Debited (b) credited (c) not considered (d) not added
2. The balance of capital account remains constant under \_\_\_\_\_ capital method.  
(a) New (b) fluctuating (c) fixed (d) None of the above
3. Prepaid Expenses are shown on the \_\_\_\_\_ side of balance sheet.  
(a) Assets (b) liabilities (c) debit (d) credit
4. Mr. Chintu is a partner in a firm. He withdraws Rs.200 at the end of each month @5% p.a. The total interest on drawing is \_\_\_\_\_.  
(a) Rs. 65 (b) Rs. 55 (c) Rs. 60 (d) Rs. 50
5. In the absence of any agreement, partners are liable to receive interest on their loan @ \_\_\_\_\_.  
(a) 12% p.a. (b) 10% p.a. (c) 8% p.a. (d) 6% p.a.
6. Capital gaining ratio is calculated on \_\_\_\_\_.  
(a) Retirement of a partner (b) Admission of a partner  
(c) Death of a partner (d) (a) and (b) above
7. On dissolution of firm \_\_\_\_\_ account is opened.  
(a) Revaluation (b) realization  
(c) Profit and loss adjustment (d) None of the above
8. Interest on capital will be paid to the partners if provided for in the agreement but only on \_\_\_\_\_.  
(a) Current account (b) Reserves (c) accumulated profit (d) goodwill
9. On sale of firm to a company, the purchases consideration is calculated by \_\_\_\_\_.  
(a) Lump sum method. (b) Payment method (c) Both method (d) none of the above
10. Dissolution expenses paid by the company to the firm on conversion are \_\_\_\_\_.  
(a) Debited to deferred revenue expenditure account (b) credited to capital reserves accounts  
(c) Debited to goodwill accounts (d) none of the above
11. If purchase consideration is more the net assets taken over, in the books the company taking over the firm then the difference is \_\_\_\_\_.  
(a) Debited to goodwill accounts (b) credited to capital reserves  
(c) Debited to security premium (d) none of the above
12. Liabilities not taken over by the new firm at the time of amalgamation will be transferred to \_\_\_\_\_.  
(a) New firm's accounts (b) profit and loss adjustment accounts  
(c) capital accounts (d) none of the above



Q.2. (A) The following Trial Balance of firm as on 31<sup>st</sup> December, 2018:

(20)

Debit	Amt	Credit	Amt
Drawing		Capital	
- Patel	15,000	- A	24,000
- Padme	7,500	- B	12,000
- Varsha	1,500	- C (including goodwill)	5,000
Furniture	10,500	Sales	1,80,000
Purchases	1,10,000	Creditors	13,500
Stock	25,000		
General Expenses	5,200		
Salary	12,000		
Rent & Rates	5,900		
Debtors	31,000		
Bank	10,900		
	2,34,500		2,34,500

Adjustments:

1. Patel & Padme were partners sharing profits and losses equally
2. M/s Varsha was admitted to partnership on 1<sup>st</sup> July, 2018
3. On 31<sup>st</sup> December, 2018 stock was valued at Rs. 23,500
4. Rent & Taxes paid in advance Rs. 900
5. General Expenses were outstanding Rs. 800
6. Charge depreciation on Furniture @ 10% p.a
7. Share of Goodwill of new partner was valued at Rs. 1,000 on 1<sup>st</sup> July, 2018 and yet to be adjusted. You are required to prepare Trading, Profit and Loss Account for the year ended on 31<sup>st</sup> December 2018 and Balance Sheet as on that date.

OR

Q.2. (B) The following is the Trial Balance of a firm as on 31<sup>st</sup> December 2018

(20)

Debit	Rs.	Credit	Rs.
Purchases	1,56,000	Capital Accounts	
Return Inward	2,400	- Chandrayaan	30,000
Stock drawing	24,000	- Suryaam	30,000
Chandrayaan's Drawing	12,000	- Mangalyaan	30,000
Suryaam's Drawing	12,000	Sales	2,94,000
Mangalyaan's Drawing	12,000	Return outward	2,000
Salary	27,000	R.D.D.	8,800
Office expenses	16,500	Bank Loan	20,000
Bad debts	2,100	Creditors	76,500
Carriage inward	4,500	Bills payable	8,700
Carriage outward	6,750		
Debtors	1,00,000		
Bills receivable	3,250		
Bank balance	8,000		
Cash balance	2,500		
Investment	25,000		
Premises	50,000		
Machinery	36,000		
	5,00,000		5,00,000

On 1<sup>st</sup> July 2018 Chandrayaan retired and the following were agreed upon:

1. Goodwill of Rs. 90,000 was brought into the books of accounts
  2. Furniture worth Rs. 20,000 was purchased on 31.3.2018 but the invoice was not recorded in the books.
  3. Balance in Chandrayaan's Account after making all adjustments was to be transferred to his loan accounts carrying interest @16%.
  4. Closing stock was valued at RS. 42,000
  5. Depreciation machinery by 10 %, premises by 5 % and furniture by 5 %.
  6. Provide interest on capital at 10 %.
- Prepare Trading and Profit and Loss account for the year ended 31.12.2018 and a Balance Sheet as on that date.



Q.3. (A). AB & Co. and CD & Co. amalgamated with effect from 1-4-2018. Their balance sheet as on 31-3-2018 was as under:

Liabilities	AB & Co. Rs	CD & Co. Rs	Assets	AB & Co. Rs	CD & Co. Rs
A's Capital	1,00,000	-	Land & Building	2,80,000	-
B's Capital	2,00,000	-	Plant & Machinery	-	8,00,000
C's Capital	-	2,00,000	Stock	3,00,000	4,00,000
D's Capital	-	3,00,000	Debtors	2,00,000	4,00,000
General Reserves	1,00,000	2,00,000	Cash/ Bank Balance	1,20,000	1,00,000
Creditors	7,50,000	13,40,000	Investment	3,00,000	4,00,000
Investment Fluctuation Reserves	50,000	60,000			
	12,00,000	21,00,000		12,00,000	21,00,000

Both the firm amalgamated subject to the following terms:

- 1) All the assets and all the Liabilities of both the firms shall be taken over by the new firms.
- 2) Land & Building shall be appreciated by 20%
- 3) Plant & Machinery shall be depreciated by 10%
- 4) Stock of AB & Co. shall be increased by Rs. 50,000
- 5) Stock of CD & Co. shall be taken at Rs. 4, 50,000.
- 6) Debtors of AB & Co. shall be decreased by Rs. 10,000
- 7) Debtors of CD & Co. shall be taken at Rs. 3,80,000
- 8) Goodwill of AB & Co. shall be valued at Rs. 1,00,000
- 9) Goodwill of CD & Co. shall be taken at Rs. 2,00,000
- 10) Investment of AB & Co. shall be taken over at Rs. 2, 80,000
- 11) Investment of CD & Co. shall be taken over at Rs. 3, 60,000

You required prepare:

Statement showing calculation of purchase consideration.

Realization A/c and Partner's Capital A/c in the books of AB & Co.

Realization A/c and partner's Capital A/c in the books of CD & Co.

OR

Q.3. (B) following is the balance sheet of two firm as at 31<sup>st</sup> March, 2018:

Liabilities	Prem & Co. (Rs)	Raj & Co. (Rs.)	Assets	Prem & Co. (Rs)	Raj & Co. (Rs.)
Capital:			Premises	-	5,000
Prem	11,500	-	Computer	10,000	-
Anil	11,500	-	Furniture	5,000	7,000
Raj	-	18,000	Inventory	9,000	8,000
Shyam	-	12,000	Debtors	6,000	14,000
General Reserves	-	3,000			
Creditors	5,000	4,000	Bank	2,000	4,000
Bills Payable	5,000	3,000	Cash	1,000	2,000
	33,000	40,000		33,000	40,000

It was mutually agreed to amalgamate the business from 1<sup>st</sup> April, 2018.

Term of amalgamation was as follows:

1. Premises was valued at Rs. 10,000 and computer at Rs. 12,000
2. Furniture was not taken over by new firm.
3. A reserve of 5% is to be created on debtors.
4. Goodwill was valued as: M/s Prem & Co. at 10,000 and that of M/s Raj. & Co. at Rs. 15,000.

The new firm also assumed other Assets and Liabilities of old Firm at book value. Show necessary accounts in the books of old firms and the Balance Sheet of new firm M/s. Prem Raj & Co. after amalgamation



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TIME: 3 HOURS

TOTAL MARKS:100

ECO 2019

- N.B.1) All questions are compulsory  
2) All questions carry equal marks  
3) Use of simple calculator is allowed  
4) Draw neat diagrams wherever necessary

Q1) a) Explain the following concepts: (Any Five)

10

- i) Gross Domestic Product
- ii) Depression
- iii) Consumption function
- iv) Precautionary motive
- v) Laffer Curve
- vi) Aggregate supply function
- vii) Velocity of circulation of money
- viii) Inflation

Q1) b) Choose the right answer from the given options and rewrite the statements.

10

i) Which of the following economy is in equilibrium when investment is equal to saving?

- a) Closed
- b) Open
- c) Developing

ii) Which of the following measures the real growth of the economy?

- a) GDP at constant prices
- b) GDP at current price
- c) NDP at current price

iii) According to which law the supply creates its own demand?

- a) Keynes
- b) Say's
- c) Pigou's

iv) If a part of an increase in income is spent on imports the value of multiplier

- a) Will be high
- b) Will be low
- c) Will not change

v) At a very low rate of interest the liquidity preference curve becomes

- a) Perfectly inelastic
- b) Perfectly elastic



- c) Relatively inelastic
- vi) The quantity of money supply is determined by
  - a) Demand and supply of money
  - b) Money market
  - c) Monetary authority
- vii) Which of the following will cause the LM curve to shift to the right?
  - a) Increase in money supply
  - b) Decrease in money supply
  - c) An increase in the rate of interest
- viii) Phillips curve brings out trade off between
  - a) Wages and employment
  - b) Inflation and unemployment
  - c) Inflation and value of money
- ix) The average number of times a unit of money is used for making payments for final goods and services is known as
  - a) Monetary velocity
  - b) Income velocity
  - c) Growth velocity
- x) Demand for speculative motive is referred to as demand for
  - a) Active cash balance
  - b) Idle cash balance
  - c) Both active and idle cash balance

**Q2) Answer any two of the following:**

(20)

- a) Explain with the help of a diagram circular flow of national income in four sector economy .
- b) State and Explain Say's law.
- c) Discuss the different phases of trade cycles.

**Q3) Answer any two of the following:**

(20)

- a) What do you mean by consumption function ? Explain the factors influencing consumption function.
- b) What is the meaning of investment? Explain the factors which determine investment.
- c) Discuss the concept of multiplier and bring out the various leakages.

**Q4) Answer any two of the following:**

(20)

- a) Examine the short run & Long run Phillips curve.
- b) What are the causes of stagflation.
- c) Explain the derivation of IS & LM curve.

**Q5) Answer any two of the following:**

(20)

- a) Explain the monetary measures of controlling inflation.
- b) Discuss the Fisher's Equation of Exchange.
- c) What are the determinants of money supply?



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(TIME: THREE HOURS) (MARKS: 100)

NB:

1. All questions are compulsory subject to internal choice.
2. All questions carry equal marks
3. Figures to the right indicate maximum marks

LAW 2019

**Q.1. Answer any TWO of the following:-**

(10)

- a) Distinguish between:
  1. Agreement and Contract.
  2. Void Agreement and Voidable Agreement.
- b) What are the types of offer or proposal? State the essentials of valid offer (10)
- c) What is consideration? Explain the exceptions to the rule 'No consideration no contract'. (10)
- d) What are the effects of an agreements in respect of minor and persons disqualified by law? (10)

**Q.2. Answer any TWO of the following:-**

- a) What is Misrepresentation? Distinguish between Fraud and Misrepresentation. (10)
- b) What are the agreements which are expressly declared void under Indian Contract Act? (10)
- c) Discuss the E-Contracts and legal issues in the formation of E- Contract. (10)
- d) What are the circumstances under which a contract is discharged by operation of law? (10)

**Q.3. Answer any TWO of the following:-**

- a) Describe the contract of Guarantee? Explain the types of guarantee. (10)
- b) Distinguish between Indemnity and Guarantee and explain the modes of discharge of surety. (10)
- c) Write a note on following:-
  1. Bailment
  2. Pledge
- d) Describe the various modes of creation and termination of agency. (10)

**Q.4. Answer any TWO of the following:-**

- a) Explain the essentials of contract of sale and state the classification of goods. (10)
- b) Write a Note on following : (10)
  1. Implies Warranties under Sale of Goods Act
  2. Doctrine of Caveat Emptor
- c) Discuss the legal rules relating to passing of property. (10)
- d) Explain the concept of 'Unpaid Seller' and the unpaid sellers right of 'stoppage of goods in transit' and 'right to sale'? (10)

**Q.5. Answer any TWO of the following:-**

- a) Explain the essentials of a negotiable instrument. (10)
- b) Distinguish between Cheque and Bills of Exchange. (10)
- c) Discuss the essentials of cheques. (10)
- d) Write a note on following:-
  1. Holder in due course.
  2. Maturity of an Instrument.



MARKS: 100

DURATION: 3Hrs.

Note:- 1. All questions are compulsory.

2. Figures to the right indicate full marks.

Adv 2019

Q.1.A) Fill in the blanks with most appropriate option. (any ten) 10

- a) Sales promotion is \_\_\_\_\_ advertising. (supports, opposes, proposes)
- b) Creativity is the \_\_\_\_\_ of advertising. (foundation, reference, standard)
- c) The customers of industrial goods are \_\_\_\_\_. (fixed, limited, unlimited)
- d) \_\_\_\_\_ agency is maintained by large advertiser.  
(full service, in-house, modular)
- e) Advertising agency is composed of \_\_\_\_\_ people.  
(freelance, creative, unskilled)
- f) Dubbing is done by \_\_\_\_\_. (layout artists, copy writers, sound recordists)
- f) Healthy competition results in regular \_\_\_\_\_. (revenue, growth, supply)
- g) Advertiser must maintain \_\_\_\_\_ standards. (quality, financial, ethical)
- i) ASCI is a \_\_\_\_\_ organization. (service, media, non profit)
- j) Brand crisis is \_\_\_\_\_ development. (positive, negative, favourable)
- k) Execution of advertisement in print media involves creative writing and effective \_\_\_\_\_. (illustration, copy, layout)
- l) \_\_\_\_\_ media attract highest advertising spends. (digital, print, online)

B) State whether the following statements are true or false. (any ten) 10

- a) IMC uses communication mix.
- b) Advertising ensures survival of competitive marketing.
- c) Public relation is a part of direct marketing.
- d) Modular agencies perform comprehensive advertising jobs.
- e) Advertising agencies are mostly compensated on commission method.
- f) Freelancing is not a secured profession.
- g) Advertising discourages competition.
- h) Children are soft target for advertising.
- i) Social advertising raises consumer awareness.
- j) Green advertising is eco-friendly advertising.
- k) Brand equity is linked to brand association.
- l) Political advertising lack accountability.



**Q.2. Answer any two of the following:**

- a) Define IMC. What are the elements of IMC?
- b) Explain the features of advertising.
- c) Discuss the classification of advertising on the basis of media.

**Q.3. Answer any two of the following:**

- a) What are the factors to be considered while selecting an advertising agency?
- b) Explain the methods of agency compensation.
- c) Write short note on – Career opportunities in advertising.

**Q.4. Answer any two of the following:**

- a) Discuss the effects of advertising on monopoly.
- b) What are the forms of unethical advertising?
- c) Explain the features of ASCI.

**Q.5. Answer any two of the following:**

- a) Explain the role of advertising in developing brand image.
- b) Discuss the advantages of internet advertising.
- c) Write short note on – Rural advertising.

**Q.6. Write short notes on (any four)**

- a) Evolution of advertising
- b) Client turnover
- c) DAVP
- d) Creative pitch
- e) Pro Bono advertising
- f) AIDA formula



RIIIMA261920SEP

TIME: 3 Hours

Marks: 100

N.B: (1) All questions are compulsory

(2) Figures to the right indicate full marks

MA 2019

Q.1 (A) Select the most appropriate answer from the following (Any 10)

10 Marks

- 1) Balance Sheet is the statement of \_\_\_\_\_.
  - a) Assets And Liabilities
  - b) Working Capital
  - c) Operating Results
  - d) None of Above
- 2) Payback period is the time required to \_\_\_\_\_.
  - a) Recover the original investment
  - b) Depreciate the asset
  - c) Pay the creditors
  - d) Recovery from debtors
- 3) Goodwill is an \_\_\_\_\_ asset.
  - a) Fictitious
  - b) Tangible
  - c) Intangible
  - d) Current
- 4) In common-size Income Statement analysis \_\_\_\_\_ is taken as 100%.
  - a) Gross Sales
  - b) Net Profit
  - c) Operating profit
  - d) None of the above
- 5) Satisfactory level of current ratio is \_\_\_\_\_.
  - a) 1:1
  - b) 2:1
  - c) 3:1
  - d) None of above
- 6) Owners fund are equal to
  - a) Capital employed
  - b) Fixed assets + Investments + Working Capital
  - c) Total assets – Current liabilities – Loan funds
  - d) None of above
- 7) Permanent working capital is also known as \_\_\_\_\_.
  - a) Net working capital
  - b) Gross working capital
  - c) Core working capital
  - d) Fixed working capital
- 8) The capital expenditure decisions are \_\_\_\_\_.
  - a) Reversible
  - b) Irreversible
  - c) Reversible or irreversible
  - d) None of above



- 9) Comparative statement shows \_\_\_\_\_.
- One year's performance
  - Financial performance
  - Comparative performance
  - Profitability performance
- 10) \_\_\_\_\_ are capital budgeting techniques.
- Payback period
  - Accounting rate of return
  - Net present value
  - All of above
- 11) Operating cost ratio is a \_\_\_\_\_.
- Balance sheet ratio
  - Revenue statement ratio
  - Composite ratio
  - Profit & loss ratio
- 12) Following is not a quick liability
- Unclaimed dividends
  - Public deposits
  - Bank overdraft
  - Advances

Q.2 (B) State whether the following statements are true or false (Any 10)

10 marks

- Cash flow and accounting profit are different.
- Owner's fund and borrowed funds are two different constituents of total funds of a company.
- Net profit ratio is a measure of profitability.
- Average stock is total of opening and closing stock.
- Capital budgeting decisions are very easy to take.
- Analysis is must for interpretation.
- Net working capital can never be negative.
- Bank overdraft = current liabilities – quick liabilities
- Borrowed funds are external source of finance.
- Management accounting provides information to investors about management.
- Budget contains the plans of management.
- Capital gearing ratio compares own funds with owed funds.

Q.2 (a) The following are the Balance Sheets of J. Ltd. as at March 31, 2017 and 2018.  
Prepare a Comparative balance sheet.

(10 marks)

Particulars	March 31 2017 (Rs.)	March 31 2018 (Rs.)
<b>I. Equity &amp; Liabilities</b>		
1. Shareholders' Funds		
a) Share Capital	20,00,000	15,00,000
b) Reserve and surplus	3,00,000	4,00,000
2. Non-current Liabilities		
Long-term borrowings	9,00,000	6,00,000
3. Current liabilities		
Creditors	3,00,000	2,00,000
<b>Total</b>	<b>35,00,000</b>	<b>27,00,000</b>
<b>II. Assests</b>		
1. Non-current assets		
a) Fixed assets		
- Tangible assets	20,00,000	15,00,000
- Intangible assets	9,00,000	6,00,000
2. Current assets		
- Inventories	3,00,000	4,00,000
- Cash and cash equivalents	3,00,000	2,00,000
<b>Total</b>	<b>35,00,000</b>	<b>27,00,000</b>



Q.2 (b) From the following information, prepare a Common size Income Statement for the year ended March 31, 2017 and 2018: 10 marks

Particulars	2016-17	2017-18
	Rs.	Rs.
Net Sales	18,00,000	25,00,000
Cost of goods sold	10,00,000	12,00,000
Operating expenses	80,000	1,20,000
Non-operating expenses	12,000	15,000
Depreciation	20,000	40,000
Wages	10,000	20,000

OR

Q.2 Complete the following Trend Statement offer suitable comments :

20 Marks

M/s. Swapna

Revenue Statement as at 31<sup>st</sup> March

Particulars	Amount Rs.				Trend Percentage			
	2014	2015	2016	2017	2014	2015	2016	2017
Sales	?	15,00,000	?	22,00,000	?	?	?	220
Cost of Sales	500000	?	?	?	?	160	200	?
Gross Profit	?	?	?	?	?	?	200	?
Operating Exp	?	400000	?	650000	?	?	?	260
Operating Profit	?	?	6,00,000	5,50,000	?	?	?	?
Non operating income	10000	?	?	?	?	250	500	25
Non operating Exp	?	?	?	?	?	250	?	525
Profit Before Tax	250000	?	?	?	?	?	240	?
Tax 50%	?	?	?	?	?	?	?	?
Profit After Tax	?	?	?	?	?	?	?	?

Note : Tax Provision on Profit Before Tax.

Q.3 The following Trading and Profit and Loss Account of Fantasy Ltd. for the year 31-3-2019 is given below 20 marks

Particular	Rs.	Particular	Rs.
To Opening Stock	76,250	By Sales	5,00,000
" Purchases	3,15,250	" Closing stock	98,500
" Carriage and Freight	2,000		
" Wages	5,000		
" Gross Profit b/d	2,00,000		
	5,98,500		5,98,500
To Administration expenses	1,01,000	By Gross Profit b/d	2,00,000
" Selling and Dist. expenses	12,000	" Non-operating incomes:	
" Non-operating expenses	2,000	" Interest on Securities	1,500
" Financial Expenses	7,000	" Dividend on shares	3,750
Net Profit c/d	84,000	" Profit on sale of shares	750
	2,06,000		2,06,000

Calculate the following ratios after arranging the above details in vertical income statement

- Gross Profit Ratio
- Expenses Ratio
- Operating Ratio
- Net Profit Ratio
- Stock Turnover Ratio.



OR

Q.3 Following is the summarized Balance Sheet of Mona Ltd. as on 31-3-18. 20 Marks

Particular	Rs.	Particular	Rs.
Equity Shares of Rs. 10 each 10%	10,00,000	Fixed Assets	20,00,000
Pref. Sh. of Rs.100 each Reserves and Surplus	4,00,000	Investments	2,00,000
15% Debentures	7,00,000	Closing Stock	4,60,000
Sundry Creditors	5,00,000	Sundry Debtors	60,000
Bank Overdraft	2,40,000	Bills Receivable	60,000
	1,60,000	Cash at Bank	20,000
		Preliminary Expenses	30,00,000
	30,00,000		

Summarised Profit and Loss Account is as under for the year ending on 31-3-18:

Sales (25% Cash sales)	80,00,000
Less: Cost of goods sold	56,00,000
Gross Profit	24,00,000
Net profit (Before interest and tax 50%)	9,00,000

Calculate the following ratios:

- (1) Rate on Return on Capital Employed (2) Proprietary Ratio (3) Debt-Equity  
(4) Capital gearing Ratio (5) Debtors Ratio (365 days of the year.)  
(6) Rate of Return on Shareholders' Funds (7) Rate of Return on Equity shareholders fund

Q.4 Neilsen Incorporated is switching from Payback Period to Discounted Payback Period for small dollar projects. The cut-off period will remain at 3 years. Given the following four projects cash flows and using a 10% discount rate, which projects that would have been accepted under Payback Period will now be rejected under Discounted Payback Period?

Cash Flows	Project One	Project Two	Project Three	Project Four
Initial cost	Rs.10,000	Rs.15,000	Rs.8,000	Rs.18,000
Year One	Rs.4,000	Rs.7,000	Rs.3,000	Rs.10,000
Year Two	Rs.4,000	Rs.5,500	Rs.3,500	Rs.11,000
Year Three	Rs.4,000	Rs.4,000	Rs.4,000	Rs.0

Calculate the Discounted Payback Periods of each project at 10% discount rate:

OR

Q.4 Radhika Manufacturing Limited presents the following information for 2016-17.

Estimated Yearly Production and Sales = 60,000 units

Estimated Cost Elements per unit.

Raw Materials	Rs. 5
Wages	Rs. 3
Overheads	Rs. 2
Selling Price	Rs. 12

Further Information

1. The company extends two months credit to the debtors.
2. The company maintains one month's stock of Raw materials.
3. The company maintains one month's stock of Finished goods.



4. The processing period is one month.
  5. The company is allowed two months credit by suppliers.
  6. wages and Overheads are paid one month in arrears.
  7. The cash and bank balance is expected to be equal to Rs. 25,000/-.
  8. There is regular purchase, production and sales cycle.
  9. During production process wages and overheads accrue evenly.
  10. Debtors are to be calculated on cost basis.
  11. 20% of the customers pay one month in advance.
- Prepare statement showing an estimate of working capital.

Q.5 Answer the following in brief

20 marks

- 1) Distinguish between financial accounting and management accounting
- 2) Advantages of Ratio analysis.

10 Marks

10 Marks

OR

Q.5 Short Notes (Any 4)

20 Marks

- 1) Capital budgeting cycle
- 2) Current liabilities
- 3) Functions of management accountant (Any Five)
- 4) Gross working capital
- 5) Common size statements
- 6) Balance sheet ratio (Any Five)